

FISCAL IMPACT STATEMENT ON BILL NO. **H.4538, as Amended**

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TO:	The Honorable Glenn McConnell, Chairman, Senate Judiciary Committee		
FROM:	Office of State Budget, Budget and Control Board		
ANALYSTS:	Beth Quick		
DATE:	May 6, 2008	SBD:	2008262

AUTHOR:	Representative Funderburk	PRIMARY CODE CITE:	2-2-10
SUBJECT:	Government Accountability Act		

ESTIMATED FISCAL IMPACT ON GENERAL FUND EXPENDITURES:
A Cost to the General Fund (See Below)

ESTIMATED FISCAL IMPACT ON FEDERAL & OTHER FUND EXPENDITURES:
\$0 (No additional expenditures or savings are expected)

BILL SUMMARY:

House Bill 4538, as amended, would provide for legislative oversight of executive departments and require the Legislative Audit Council to audit agency programs or operations as requested by legislative committees.

EXPLANATION OF IMPACT:

Senate

The Senate reports that it would require 6.00 FTEs for research staff positions at an annual cost to the General Fund of \$470,000 for salary, fringe and other operating expenses.

House of Representatives

The House reports that it would require 6.00 FTEs for research staff positions at an annual cost to the General Fund of \$460,800 for salary, fringe and other operating expenses.

Legislative Audit Council (LAC)

The Bill would require the LAC to perform reviews and audits as directed by the legislature. Depending on the number of requests for audits and reviews, the Council would likely need an additional audit team. An audit team would require 4.00 FTEs for one Audit Manager, one Senior Auditor, and two Associate Auditors at an annual cost to the General Fund of \$282,460. The first year would also include non-recurring cost to the General Fund of \$20,000 for furniture, computers and related equipment.

Recapitulation

The first year costs of enactment of the Bill are estimated to be \$1,233,260 which includes salaries and fringe for 16.00 FTEs (including 4.00 FTEs for the LAC). Costs annually thereafter are estimated at \$1,213,260.

Approved by:



Harry Bell
Assistant Director, Office of State Budget